

COMMERCIAL SUBLEASE

THIS COMMERCIAL SUBLEASE ("Lease") effective the 1st day of February, 2020 ("Effective Date"), by and between INTERNATIONAL CAPITAL AND MANAGEMENT COMPANY, LLC, a Virgin Islands limited liability company, hereinafter designated as ICMC or Landlord, and Virgin Islands Housing Finance Authority, an autonomous instrumentality of the Government of the United States Virgin Islands hereinafter designated as the "Tenant").

WHEREAS ICMC is the lessee under a certain Master Lease Agreement (Commercial Properties dated January 1, 2009 ("Master Lease") with ICMC, Limited Liability Limited Partnership ("Owner") for *inter alia* a three-story commercial office building known as Beltjen II, located at 31ab Estate Taarnejerg, St. Thomas, Virgin Islands ("Building"); and

WHEREAS ICMC and Tenant desire to enter into this Lease to sublet a portion of the Building to Tenant;

THEREFORE, for good and adequate consideration, contained within this Lease and otherwise, the receipt and sufficiency of which is mutually acknowledged, the parties agree as follows:

(1) PREMISES: The Landlord, in consideration of the rents to be paid and the covenants and agreements to be performed by the Tenant, does hereby exclusively lease unto the Tenant the following described premises situated in St. Thomas, U. S. Virgin Islands, to wit: the second floor of the Building, consisting of approximately 5,613 square feet of commercial office space, more or less, as described in the highlighted area of a floor plan of the Building attached hereto as Exhibit A, and including the use in common with others entitled thereto of Building ingress and egress, outside common areas, general parking areas, driveways and other facilities as may be designated from time to time by the Landlord (collectively referred to as the "Premises"). The Premises shall include certain furniture and equipment listed on Exhibit B, which the parties acknowledge is and shall remain Landlord's property ("Furnishings"). The Tenant shall have exclusive use of the Furnishings during the term at Tenant's sole risk and expense, and return the Furnishings with the Premises to Landlord at the conclusion of this Lease in the same condition as at the commencement of this Lease, reasonable wear and tear excepted.

(2) TERM: The Basic Term hereof shall be two (2) years following the Commencement Date, which is defined herein as February 1, 2020, and terminating January 31, 2022, unless sooner terminated or surrendered as provided in this Lease. This Lease is renewable for two (2) additional option terms of two years duration each, upon the same terms and conditions contained herein, provided that Tenant provides Landlord with written notice of its desire to exercise an option term at least six (6) months preceding the termination date of the existing term, and that Tenant is not then nor at any time during its tenancy been in default of this Lease, in which event Landlord may refuse to enter into the option term. The Basic Term and any option terms are collectively referred to herein as the "Term."



(3) RENT: The Tenant covenants and agrees to pay unto the Landlord for rent of said premises during the term annual rent of [REDACTED] during each year of the Term, payable in successive equal monthly installments of [REDACTED] each on the first day of each month in advance during the Term commencing on February 1, 2020, time being of the essence. Rent shall be paid by cash, direct deposit or local bank check and actually delivered to the office of Landlord or at such other place as the Landlord may designate in writing. Any installment of Base Rent, any Additional Rent or any Lease Charges not timely received will result in a Late Charge equal to ten percent (10%) of the amount of the overdue payment, which shall be immediately payable to Landlord as Additional Rent. Should Tenant default in its rent obligations and fail to completely cure same within five (5) days of receiving written notice, an Event of Default of this Lease shall be deemed to have occurred, and the Landlord may at its option seek all remedies available to it under this Lease or applicable law. In the event that Tenant tenders less than the full amount of any Base Rent, Additional Rent or any other charges due under this Lease by the applicable due date, Landlord may accept such payment, which payment shall be applied on account; however, in such event Tenant agrees that it shall still be responsible for the full amount of Rent and other charges due or owing. The parties agree that any endorsement or statement on any check or any letter accompanying any check or payment as Rent or other charge paid by Tenant, shall not be binding on Landlord, and the Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance or pursue any other remedy provided in this Lease or at law. Tenant agrees that it has no right to ever withhold rent for any reason, and if such reasons exist at law or in equity, Tenant specifically waives said right and independently covenants and agrees to timely pay rent without any set-offs, including Base Rent, Additional Rent, or any other amounts payable to Landlord under this Lease

Tenant's performance and obligation to pay under this Lease is contingent upon the availability of applicable disaster recovery funds. Tenant shall be the final authority as to the availability of funds for this Lease and as to what constitutes "applicable funding" to complete this Lease. If any such funds are not made available for the Lease purpose, such event will not constitute a default on Tenant. Tenant will notify Landlord in writing 60 days in advance if funds are not appropriated or available and agree to vacate the premises within thirty (30) days of given such notice. Tenant shall pay all rents due, as of the date of termination, within thirty (30) days of the written notice to Landlord. There shall be no further obligation and liability due under this lease except as otherwise specified herein. The cost for services rendered under this Lease to be paid is not eligible for reimbursement from any other funding source.

(4) SECURITY DEPOSIT: On or before the Commencement Date, Tenant shall provide Landlord with a Security Deposit in the sum of [REDACTED] to assure that the Tenant shall bear full financial responsibility for any and all damage, breakage or loss of the Premises and / or Furnishings during the Term of this Lease, reasonable wear and tear excepted, unpaid Base Rent, Additional Rent, or additional charges under this Lease.



The cost of repair or replacement of damaged or missing items, or for unpaid Rent or lease charges, or for necessary clean-up in the event premises are not left "broom clean," shall be deducted from the Security Deposit and paid to the Landlord, and the balance, if any, shall be refunded to the Tenant without interest within 30 days of the date when Tenant vacates the Premises. Under no circumstance is the Security Deposit to be considered or used as rent payment by the Tenant, and in the event that Tenant violates this covenant, it will be considered an Event of Default of this Lease by the Tenant and the balance of the Security Deposit shall be forfeited to Landlord.

At any time, Landlord shall be entitled, upon notice to Tenant, to cure any default of Tenant or reimburse Landlord for any expenses incurred by Landlord arising out of any such default by deducting such expense from the Security Deposit. Tenant agrees immediately upon notice by Landlord to redeposit any such amount of security so that the Security Deposit again equals the amount of the original Security Deposit, and a failure to comply with this covenant shall be deemed an Event of Default.

(5) **USE OF PREMISES AND CONDUCT OF BUSINESS:** Tenant understands and acknowledges that Tenant's use of the Premises shall be limited to commercial office space use only, and for no other uses whatsoever ("Permitted Use"). Tenant agrees that no wholesale or retail operations of any nature may be conducted on the Premises, and that the Premises shall be occupied only by Tenant, its employees, contractors and its business invitees for the Permitted Use, and by no other person or entity whatsoever, except upon and with the prior written consent of Landlord. At all times during the Term, Tenant hereby agrees to obtain and maintain all governmental licenses and permits necessary to undertake the Permitted Use, and to comply with the conditions of all governmental licenses, approvals and any recorded covenants and restrictions affecting the Property and Premises. Upon the Commencement Date, and thereafter upon the reasonable request of Landlord, Tenant agrees to provide proof of compliance with such licensure requirements. During the Term, Tenant agrees to conduct its business in the Premises pursuant to the following standards:

(a) Tenant shall operate its business pursuant to the highest reasonable standards of its business category applicable to a first class United States establishment of its type;

(b) No auction, fire, liquidation, bankruptcy or going-out-of business sales shall be conducted at the Premises without the advance written consent of Landlord, nor shall Tenant conduct its business in such fashion as to give the impression such a prohibited sale is being conducted.

(c) Tenant shall not commit waste to the Premises and shall maintain the Premises and Property in a safe, sanitary, neat, clean and orderly condition. Tenant shall keep all permitted signage constructed on the Premises clean and in good order at all times, and the Premises free of garbage, debris and unauthorized storage, and if it shall fail to do so,



Landlord may enter and clean the Premises and present the charges incurred to Tenant, who shall pay them upon demand as Additional Rent, without prejudice to any remedies available to Landlord upon any Event of Default.

(d) Tenant shall not store, treat, transport, dispose, handle or otherwise use any substances, wastes, petroleum products, or other pollutants, contaminants or materials defined as hazardous or toxic under any federal, territorial or local statutes or regulations, including but not limited to material identified in Environmental Protection Agency Federal Regulations, 40 CFR 302 and 40 CFR 122.11 (collectively referred to in this Lease as "Hazardous Material") or permit Hazardous Material to be released into the environment on or about the Premises, or to run-off the surface of the Premises onto adjoining properties, or into the atmosphere (collectively referred to in this Lease as a "release" of Hazardous Material).

(e) Tenant shall not use the Premises or permit the same to be used in any manner: in violation of law; for mechanical repairs or manufacturing purposes; or that would constitute an extra-hazardous use or violate any insurance policy of Tenant or Landlord or increase the cost thereof above its normal cost.

(f) Tenant shall not use or permit the Premises to be used in any way which will be a nuisance, annoyance, or inconvenience to the Landlord, its other tenants, or the neighborhood surrounding the Premises, including, without limiting the generality of the foregoing, permitting loud noise by the playing of musical instruments or the use of microphones, loudspeakers, electrical equipment, or utilizing flashing lights or search lights, or permitting the emission of odors from the Premises.

(g) Tenant will maintain the Premises, at its own expense, in a clean, orderly and sanitary condition and free of insects, rodents, vermin, and other pests. Tenant will not permit accumulations of garbage, trash, rubbish and other refuse, but will remove the same from the Premises on a regular basis and deposit same in appropriate trash receptacles provided by Landlord or its vendor. Should Tenant not abide by the provisions of this clause, Landlord shall be entitled to undertake remedial measures, the expense of which shall be payable by Tenant to Landlord as Additional Rent due upon demand, without prejudice to any remedies available to Landlord upon any Event of Default.

(6) ALTERATIONS AND IMPROVEMENTS: Tenant has inspected and accepted the Premises in its present "as is" condition and warrants that it is fit for all of Tenant's purposes. Tenant shall not undertake any improvements or alterations to the Premises whatsoever absent the express, advance approval of Landlord which may be reasonably withheld for any reason. Alterations which require Landlord's written advance consent include but are not limited to structural, partition wall or interior reconfigurations, and changes to mechanical, electrical and IT and telephony wiring and equipment (collectively, "Improvements"). Tenant agrees that any permitted Improvements or alterations shall only be undertaken at Tenant's sole risk and expense,



utilizing contractors reasonably acceptable to Landlord. Title to all Improvements constructed by Tenant on the Premises, including all structures, fixtures and equipment, including but not limited to items such as hardwood floors, carpeting and padding, light fixtures and all other construction work shall, when installed or completed, automatically vest and attach to the Owner's freehold and become and remain the property of the Owner or Landlord, subject to Tenant's right of possession under the conditions of this Lease. The terms of this Section shall survive the termination of this Lease.

(7) LIENS: Tenant shall not permit to be created nor to remain undischarged any lien, encumbrance or charge upon the Premises, including but not limited to liens arising out of any work or any contractor, mechanic, laborer or materialman which might be or become a lien or encumbrance or charge upon the Premises or the income therefrom, and the Tenant shall not suffer any other matter or thing whereby the interest of Landlord in the Premises might be impaired. The Property shall not be subject to attachment. Tenant shall include in all contracts and subcontracts for work to be performed on Tenant's behalf at the Premises a) provisions wherein such contractor or subcontractor acknowledges that Landlord has no liability under such contracts and subcontracts; and b) that such contractor or subcontractor waives any right it may have to lien or attach the Premises. Tenant shall require all of its contractors and subcontractors to execute a waiver of any lien against Owner, Landlord and Tenant's interest in the Premises as a precondition to paying for any work to or on the Premises. If any lien be filed by virtue of Tenant's construction of Improvements, Tenant shall cause the same to be discharged of record by payment, bond, order of court, or otherwise as required by law within thirty (30) days of the filing of the lien. Failure by Tenant to comply with this provision shall be an Event of Default of this Lease. Landlord may, at Landlord's option, cause such discharge of any lien and Tenant shall reimburse Landlord, with interest at the Default Rate, for all of its costs and expenses, including attorneys' fees, incurred by Landlord within ten (10) days of receipt of written demand thereof by Landlord.

Tenant hereby grants to Landlord a lien and security interest on all of Tenant's property, inventory, furnishings, equipment, trade and other fixtures, wares, as additional security for Tenant's faithful performance of its obligations under this Lease, subordinate only to purchase money liens of record disclosed to Landlord. Tenant grants to Landlord the right and power to record a memorandum or financing statement of the lien created by this Section in Tenant's stead. The provisions of this Section shall survive the termination of this Lease. Consistent with the provisions of 11A V.I.C. 1-302(a) and notwithstanding the provisions 11A V.I.C. 9-109(d)(1), Tenant hereby acknowledges and agrees that the lien granted under this paragraph is consensual and created by contract, so that the provisions of Article 9 of the Virgin Islands Uniform Commercial Code as codified in 11A V.I.C. 9-101 et seq. shall govern the Landlord's rights and remedies under this Section.

(8) SIGNS: All Tenant signs and advertisements are subject to Landlord's written consent, which Landlord may withhold for any reason or no reason whatsoever, as to size, color, type, location and specifications. Tenant agrees to install all of said signs in conformance with applicable government regulations and to keep and maintain the same in a good state of repair



and save Landlord harmless from any damages stemming from the installation, maintenance, existence or removal of the same and shall repair any damage which may have been caused by said installation, existence, maintenance or removal. Upon vacating the Premises, Tenant agrees to remove all signs and simultaneously repair any damage to the Premises, Building or Owner's property caused by such removal.

(9) UTILITIES AND SERVICES: Landlord agrees to provide reasonable quantities of municipal water to the existing main water connection to the Premises, without charge to Tenant. Otherwise, upon the Commencement Date of this Lease and thereafter throughout the Term thereof, Tenant agrees to pay for all utility services rendered or furnished to the Premises including but not limited to electricity, telephone, and internet connections. Landlord agrees to use all reasonable efforts to provide all electricity to the Premises as configured and required at the Commencement date, and to provide Tenant with monthly statements during the term based upon submeter accountings of electricity provided to the Premises during the preceding month whether via municipal utilities or its standby generator, multiplied by the standard commercial rate charged to Landlord by its electrical utility provider which Tenant agrees to pay to Landlord along with the Base Rent installment then due as Additional Rent. Tenant also agrees to pay Landlord its pro rata share of fuel and maintenance charges applicable to Tenant's use of standby generator power as Additional Rent. All other utilities necessary or desired by Tenant shall be provided directly to the Premises by the local utility company for Tenant's account and shall be Tenant's sole financial responsibility. Tenant agrees upon termination of this Lease to terminate or to transfer all utility accounts to Landlord or its designee, at Landlord's option, paid up until the date of transfer. Tenant understands that utility services on St. Thomas are prone to service interruptions and vary in quality, and expressly agrees that Landlord shall not be liable in any event for the quality, quantity, failure or interruption of any utility services to the Premises during the Term.

(10) MAINTENANCE: During the Term, Tenant agrees to immediately notify Landlord of any defect regarding the structure, windows, plumbing system outside the demised area of the Premises, exterior of the Premises, or any means of ingress or egress thereto, not caused by Tenant's negligence, act or omission, which Landlord agrees to thereafter reasonably repair or replace at its risk and expense ("Landlord's Obligations"). Other than Landlord's Obligations, Landlord shall not be responsible to make improvements or repairs of any kind to the Premises at any time during the Term. Rather, at all times during the Term, Tenant covenants and agrees to keep and maintain at its own cost and expense in good order, condition and repair the Premises and every part thereof (unless caused by the negligence, act or omission of Landlord or its agents) including, but without limitation, interior doors, door checks and operators; all plumbing and sewage facilities (ensuring free flow of sewage up to the sewer line serving the Premises); electrical systems and equipment within the Premises; fixtures; utility lines; interior walls, floors and ceilings; signs and all interior building appliances and similar equipment within the Premises; fire extinguishers and safety or health improvements mandated by law; the Furnishings belonging to Landlord; and all other parts of and fixtures to the Premises. Tenant further agrees to replace any of said Improvements, fixtures and equipment when necessary at its own cost and expense.



Tenant also covenants and agrees to be responsible for any damage to the Property or Premises, or any part thereof, caused by any act or negligence of Tenant, its employees, agents, invitees, licensees or contractors. If Tenant refuses or neglects to commence or complete maintenance, repairs or replacements promptly and adequately, Landlord, in addition to any other remedy, may, but shall not be required to do so, make or complete said repairs and Tenant shall pay the cost thereof to Landlord upon demand as Additional Rent, without prejudice to any remedies available to Landlord upon any Event of Default. Tenant agrees to immediately inform Landlord verbally and in writing, if at any time during the Term of this Lease and thereafter (a) Tenant receives any notification of investigation, potential liability, request for information or response action or any other communication from any federal or local governmental agency or entity with respect to any activity on or condition of the Premises which affects human health or environment; (b) a spill, release, disposal or threatened release of Hazardous Material allegedly or actually occurred, occurs or is discovered on the Premises; or (c) Tenant receives notice of any claim, cause or causes of action, damages, penalties or other costs resulting from or arising under a spill, disposal, release or threatened release of Contaminants on the Premises.

(11) **TENANT'S PROPERTY AND TRADE FIXTURES:** All Tenant's personal property and trade fixtures and signs shall remain the property of the Tenant subject at all times to the Landlord's claim for rent and other sums which may become due to the Landlord under this Lease, pursuant to Landlord's lien as set forth in Section 8 of this Lease, or otherwise. Tenant further agrees that all personal property of every kind or description which may at any time be in the Premises shall be at the Tenant's sole risk. Landlord shall not be responsible or liable to Tenant for any loss or damage resulting to Tenant or its property or its business from leaks, water, gas, steam, fire, or the bursting, stoppage or leaking water and/or sewer pipes, or from the heating or plumbing fixtures, or from electric wires, or from gas or odors, or caused in any manner whatsoever. Tenant may, at the expiration of the Term, remove all the Tenant's trade fixtures which can be removed without costly injury to, or undue defacement of the Premises, provided a) all rents and other charges stipulated herein are paid in full and Tenant is not otherwise in default hereunder; b) any and all damage to the Premises or to the Property, including but not limited to damage resulting from or caused by removal of trade fixtures, shall be promptly repaired at Tenant's expense; and c) all trade fixtures are removed within seven (7) days following expiration of the Term.

(12) **SURRENDER OF THE PREMISES:** Tenant covenants and agrees to vacate, remove from and deliver up and surrender the possession of the Premises and the Furnishings to Landlord upon the expiration of the Term, without any specific notice to vacate, and upon any earlier termination of this Lease, as herein provided, in as good condition and repair as the same shall be at the Commencement Date, ordinary wear and tear excepted. Nothing herein shall be construed as relieving the Tenant of any of its maintenance obligations provided for in this Lease. Any trade fixtures or personal property remaining in the Premises seven (7) days after Lease termination shall be deemed abandoned property.



(13) **ASSIGNMENT AND SUBLETTING:** Tenant covenants and agrees not to assign this Lease or to sublet the whole or any part of the Premises, or to permit any other persons to occupy same, without the written consent of the Landlord first obtained, which may be refused for any reason or no reason whatsoever, references elsewhere herein to assignees notwithstanding. Any assignment or sublet of any of Tenant's interest in this Lease without the Landlord's consent shall be deemed a material default of this Lease by Tenant. Any assignment or subletting, even with the consent of the Landlord, shall not relieve Tenant from liability for payment of rent or other sums herein provided or for the obligation to keep and be bound by the terms, conditions and covenants of this Lease, notwithstanding the fact that this Lease may be amended by agreement between such assignee or subtenant and Landlord. In the event any assignment or subletting, even with the consent of Landlord, results in rental income or other lease charges in an amount greater than that provided for in this Lease, then such excess shall belong to the Landlord and shall be payable to Landlord as Additional Rent. The acceptance of rent from any other person shall not be deemed to be a waiver of any of the provisions of this Lease or to be a consent to the assignment of this Lease or subletting of the Premises.

(14) **INSURANCE AND INDEMNITY:** Tenant covenants and agrees to provide on or before the Commencement Date and to keep in force during the entire Term of this Lease: (A) comprehensive general liability insurance for the mutual benefit of Landlord and Tenant relating to the Premises and its appurtenances in an amount of not less than Two Million (\$2,000,000.00) Dollars in respect of personal injury or death, and of not less than the replacement value of all Improvements then existing on the Premises in respect of property damage, which insurance shall be without exclusion for assault and battery, naming Landlord and / or its designees as an additional insured; and (B) fire and extended coverage, vandalism, malicious mischief and special extended coverage insurance including windstorm coverage in an amount adequate to cover the cost of replacement of all Tenant's inventory, supplies, furnishings, equipment, contents and personal property therein. Tenant agrees to deliver to Landlord at least fifteen (15) days prior to the time such insurance is first required to be carried by Tenant, and thereafter at least fifteen (15) days prior to the expiration of any such policy, either a duplicate original or a true copy of all policies procured by Tenant in compliance with its obligations hereunder, together with evidence of payment therefor. All of the aforesaid insurance shall be written by one (1) or more responsible insurance companies satisfactory to Landlord, with carriers rated A+ or better by A.M. Best, or a comparable rating agency, and all such policies shall name the Landlord as an additional insured as its interests may appear. All such insurance shall contain endorsements that: (1) such insurance may not be canceled or amended with respect to Landlord (or its designee(s)), except upon thirty (30) days written notice by registered mail to Landlord (and such designee(s)), by the insurance company; and (2) Tenant shall be solely responsible for payment of premiums for such insurance. In the event Tenant fails to furnish such insurance, the Landlord may obtain such insurance and the premiums shall be paid by Tenant to the Landlord upon demand as Additional Rent. Each insurance policy carried by Tenant pursuant to the provisions of this Lease, shall be written in a



manner to provide that the insurance company waives all right of recovery by way of subrogation against Landlord in connection with any loss or damage covered thereunder.

During the Term, Tenant will indemnify, save harmless, and defend Landlord and Owner, and their respective affiliates, partners, directors, officers, shareholders, employees, representatives and agents (collectively, the "Indemnitees"), from and against any and all claims, causes of action, damages, fines, judgments, penalties, costs, liabilities, losses or expenses (including, without limitation, attorneys' fees and reasonable investigative and discovery costs) and demands (collectively, "damages") in connection with any accident, death, injury or damage whatsoever caused to any person or property arising directly or indirectly out of Tenant's tenancy hereunder or occupancy of the Premises, including any construction, alteration, or renovations or Improvements to the Premises, or out of the business conducted in the Premises or occurring in, on or about the Premises or Owner's Property or any part thereof, due to any cause whatsoever unless solely caused by the negligence of Landlord.

Tenant's performance and obligation to pay and indemnify Landlord under this Lease is contingent upon the availability of applicable disaster recovery funds at the time payment must be made. Tenant shall be the final authority as to the availability of funds for this Lease and as to what constitutes "applicable funding" to complete this Lease. If any such funds are not made available for the Lease purpose, such event will not constitute a default on Tenant. Tenant will notify Landlord in writing at the earliest possible time if funds are not appropriated or available. The cost for services rendered under this Lease to be paid is not eligible for reimbursement from any other funding source.

(15) **FIRE AND CASUALTY LOSS:** Should the Premises (or any part thereof) be damaged or destroyed by fire or other casualty, Landlord shall, except as otherwise provided herein, repair and/or rebuild the same with reasonable diligence conditioned on whether and to the extent Landlord receives insurance proceeds to do so. If there should be a substantial interference with the operation of Tenant's business in the Premises as a result of such damage or destruction which renders the Premises uninhabitable and requires Tenant to temporarily close its business, the Base Rent shall abate but only to the extent of the proceeds actually received by Landlord under its rent insurance policy. Notwithstanding anything to the contrary contained in the preceding section or elsewhere in this Lease, Landlord may terminate this Lease on thirty (30) days' notice to Tenant, given within ninety (90) days after the occurrence of any damage or destruction if: **(A)** the Premises be damaged and the cost to repair the same shall be more than twenty-five (25%) percent of the cost of replacement thereof, or **(B)** the Premises be damaged during the last year of the Term. Except to the extent specifically provided for in this Lease, none of the rentals payable by Tenant, nor any of Tenant's other obligations under any provisions of this Lease, shall be affected by any damage to or destruction of the Premises by any cause whatsoever.



(16) EMINENT DOMAIN: If the whole of the Premises shall be taken by any public or quasi-public authority under the power of eminent domain, condemnation or expropriation or in the event of a conveyance in lieu thereof, then this Lease shall terminate on the date when Tenant is required to yield possession thereof.

(17) SUBORDINATION AND ATTORNMENT: The Landlord and Owner reserve the right and privilege to subject and subordinate this Lease at all times to the lien of any mortgage or mortgages now or hereafter placed upon the Owner or Landlord's interest in the said Premises and on the land and buildings of which said Premises are a part (the holder of any such mortgage hereinafter referred to as mortgagee), and to any and all advances to be made under such mortgages, and all renewals, modifications, extensions, consolidations and replacements thereof.

Tenant covenants and agrees to execute and deliver, upon demand, such further instrument or instruments subordinating this Lease on the foregoing basis to the lien of any such mortgage or mortgages as shall be desired by the Owner or Landlord and any mortgagees or proposed mortgagees, and hereby irrevocably appoints Landlord the attorney-in-fact of Tenant to execute and deliver such instrument or instruments for and in the name of Tenant in the event Tenant shall fail to execute such instrument or instruments within ten (10) days after written notice to do so. Tenant shall, in the event of the sale or assignment of Owner's or Landlord's interest in the Property or the Premises, or in the event of any proceedings brought for the foreclosure of, or in the event of the exercise of the power of sale under any mortgage covering the Premises, attorn to and recognize such purchaser or mortgagee as Landlord under this Lease, and in any such events, Landlord named herein shall not thereafter be liable on this Lease. If any mortgagee shall have given prior written notice to Tenant that it is a holder of a mortgage as described in the first paragraph of this Section and such notice includes the address to which notices to such mortgagee are to be sent, then Tenant agrees to give to such mortgagee notice simultaneously with any notice given to Landlord to correct any default of Landlord as hereinabove provided and agrees that the mortgagee shall have the right, within sixty (60) days after receipt of said notice, to correct or remedy such default before Tenant may take any action under this Lease by reason of such default.

(18) ESTOPPEL CERTIFICATES: At any time, and from time to time, upon the written request of Owner, Landlord or any mortgagee, Tenant, within ten (10) days of the date of such written request, agrees to execute and deliver to Landlord and/or such mortgagee, without charge and in a form satisfactory to Landlord and/or such mortgagee, a written statement: (a) ratifying this Lease; (b) confirming the Commencement and expiration dates of the Term of this Lease; (c) certifying that Tenant is in occupancy of the Premises and that this Lease is in full force and effect and has not been modified, assigned, supplemented or amended, except by such writings as shall be stated; (d) certifying that all conditions and agreements under this Lease to be satisfied and performed have been satisfied and performed, except as shall be stated; (e) certifying that Landlord is not in default under this Lease and there are no defenses or offsets against the enforcement of this Lease by Landlord, or stating the defaults and/or defenses claimed by Tenant;



(f) reciting the amount of advance rental, if any, paid by Tenant and the date to which rental has been paid; (g) reciting the amount of security deposited with Landlord, if any; and (h) any other information which Landlord or the mortgagee shall require.

(19) **DEFAULT:** All rights and remedies of Landlord herein enumerated shall be cumulative, and none shall exclude any other rights or remedies allowed by law or in equity. The occurrence of any of the following shall constitute an Event of Default and breach of this Lease by Tenant:

A. If Tenant shall fail, neglect or refuse to pay any installment of fixed Base Rent or Additional Rent by the applicable due date in the amount as herein provided, or to pay any other monies agreed by it to be paid promptly when and as the same shall become due and payable under the terms hereof (all of which shall be collectively defined as "Rent" for the purposes of this Section), without any formal or legal demand being required ("monetary default"); or if

B. Tenant shall abandon or vacate the Premises, or shall fail, neglect or refuse to keep and perform any of the other covenants, conditions, stipulations or agreements herein contained, and in the event any such non-monetary default shall continue for a period of more than ten (10) days after notice thereof is given in writing to Tenant by Landlord (provided, however, that if the cause for giving such notice involves the making of repairs or other matters reasonably requiring a longer period of time than the period of such notice, Tenant shall be deemed to have complied with such notice so long as Landlord finds in its sole opinion that Tenant has commenced to comply with said notice within the period set forth in the notice and is diligently prosecuting compliance of said notice)("non-monetary default"); or if

C. Tenant more than twice during any twelve (12) month period during the Term, fails to comply with the same or substantially the same requirements or provisions under this Lease, such as but not limited to the non-payment when due of Rent of any kind or nature, then, at Landlord's election, Tenant shall be in default of this Lease and shall not have any right to cure such repeated failure to satisfy or comply, any other provision of this Lease notwithstanding ("repeat default"); or if

D. Tenant shall provide any materially false information or report required to be furnished to Landlord pursuant to this Lease, or if Tenant or any person or entity holding a controlling interest in Tenant is convicted of a crime.

Upon any Event of Default or breach of this Lease by Tenant, Landlord shall have the right and option to declare the entire Base Rent due for the balance of the Term hereof immediately due and payable by Tenant, and further, in the event of such default or breach of this Lease by Tenant, the



SUBLEASE AGREEMENT

Page 12

Tenant does hereby authorize and fully empower Landlord or Landlord's agent to, at Landlord's option, cancel or annul this Lease at once and reenter and remove all persons and their property, and such property may be stored in a public warehouse or elsewhere at the cost of the Tenant, in accordance with applicable law, without being deemed guilty of any manner of trespass and without prejudice to any remedies which might otherwise be used by Landlord.

Any payment required to be made by Tenant under the provisions of this Lease not made by Tenant when and as due shall thereupon be deemed to be due and payable by Tenant to Landlord on demand with interest thereon from the date when the particular amount became due to the date of payment thereof to Landlord. The aforesaid interest shall be at the rate of two (2%) percent per month ("Default Rate"), if Tenant is a corporation, or if Tenant is not a corporation, at such lesser rate as shall be the maximum permitted by law ("Default Rate").

The Landlord may, however, at its option, at any time after such Event of Default or breach of this Lease, reenter and take possession of said Premises and remove Tenant's property therefrom, without such re-entry working a forfeiture of the rents to be paid and without constituting a termination or waiver of the covenants, agreements and conditions to be kept and performed by Tenant for the full Term of this Lease. In such event, Landlord shall have the right, but not the obligation, to divide or subdivide the Premises in any manner Landlord may determine and to lease or let the same or portions thereof for such periods of time and at such rentals and for such use and upon such covenants and conditions as Landlord may elect, applying the net rentals from such letting first to the payment of Landlord's expenses incurred in dispossessing Tenant and the cost and expense of making such improvements, alterations and repairs in the Premises as may be necessary in order to enable Landlord to relet the same, and to the payment of any brokerage commissions or other necessary expenses of Landlord in connection with such reletting. The balance, if any, shall be applied by Landlord from time to time on account of the payments due or payable by Tenant hereunder with the right reserved to Landlord to bring such action or proceedings for the recovery of any deficits remaining unpaid as Landlord may deem favorable from time to time without obligation to await the end of the Term hereof for the final determination of Tenant's account.

The parties understand and agree that in the event of Tenant default, Landlord shall be entitled to maintain a summary action for possession of the premises as provided in Title 28, Virgin Islands Code, section 782 et. seq. With the exception of this remedy for possession of the Premises, should any dispute arise between the parties with regard to the terms, performance or validity of this Lease, or any breach thereof, or any monetary damages of any nature arising from the relationship between the parties, or the arbitrability thereof (collectively referred to as "claims"), those claims shall be submitted and exclusively resolved by mandatory, binding arbitration before a single arbitrator in accordance with the Commercial Arbitration Rules of the American



SUBLEASE AGREEMENT

Page 13

Arbitration Association conducted in St. Thomas, Virgin Islands (or such other rules as the parties may agree to utilize), and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. In any arbitration proceeding between the parties, each party shall pay its own costs, expenses and attorney's fees, but the arbitrator shall have jurisdiction to consider and allocate such costs, expenses and attorney's fees between the parties as part of the arbitration award, and to award sanctions. The award of the arbitrator shall be final and binding upon the parties, AND THE PARTIES ACCORDINGLY WAIVE ANY RIGHT(S) TO A TRIAL BY JURY AS TO ANY CLAIM. No party other than those executing this Lease may be made a party to any arbitration pursuant to this clause absent the written agreement of both parties to this Agreement and the party to be joined.

(20) **HOLDING OVER:** In the event Tenant remains in possession of all or any part of the Premises after the expiration of the Term of this Lease or any renewal thereof, at the option of Landlord, Tenant shall be deemed to be occupying the Premises as a tenant from month to month at a monthly rental equal to twice the sum of (i) the monthly installment of Base Rent payable during the last month of the Term or any extension or renewal that was in effect, and (ii) one-twelfth (1/12) of additional rent or other charges payable or paid during the preceding Lease Year. Such continued occupancy shall not defeat Landlord's rights to regain possession of the Premises.

(21) **ACCESS TO PREMISES:** Tenant agrees to permit the Landlord or the Landlord's agents to inspect or examine the Premises at any reasonable time, for any purpose, provided that Landlord shall not unreasonably interfere with Tenant's business operations, provided Tenant is not in breach of this Lease. In the event of an emergency, Landlord shall have the right to enter the Premises without Tenant's permission.

(22) **QUIET ENJOYMENT:** Landlord covenants and agrees that if the Tenant shall perform all of the covenants and agreements herein stipulated to be performed on the Tenant's part, the Tenant shall, at all times during said Term, have the peaceable and quiet enjoyment and possession of the Premises without any manner of hindrance from the Landlord or any persons lawfully claiming through the Landlord.

(23) **NOTICES:** Any bill, statement, notice, communication or payment which Landlord or Tenant may desire or be required to give to the other party (collectively, "notices") shall be in writing and shall be sent to the other party and its respective agents utilizing the contact information set forth in this paragraph, or to such other address as either party shall have designated to the other by like notice. Notices shall be deemed effective as of the earliest of the following times: 1) the time the recipient receives actual notice; 2) on the date of delivery if served by personal delivery, overnight courier, confirmed facsimile, or email; or 3) three (3) business days



SUBLEASE AGREEMENT

Page 14

after such notice is deposited with the U.S. Postal Service and sent to the recipient via first class mail. Copies of all such notices shall also be sent to the following representatives:

If to Landlord:

ICMC (attn: Property Management)
1600 Kongens Gade
St. Thomas, VI00802
Phone: (340) 777-1319
St. Thomas, VI 00805
Facsimile: (340) 775-4040
Email: propertymanagement@icmcvi.com

and to:

Charles S. Russell, Jr., Esq.
Moore Dodson & Russell, P.C.
5035 Norre Gade
St. Thomas, VI 00802
Facsimile: (340) 777-5490
Email: steve@mdrvi.com

If to Tenant:

Daryl Griffith
Executive Director
Virgin Islands Housing Finance Authority
3202 Demarara Plaza, Suite 200
St. Thomas, VI 00802-6447
Telephone: (340) 777-4432
Facsimile: (340) 775-7913
Email: dgriffith@vihfa.gov

and to:

Antoinette Fleming
Director
CDBG-DR Division
3202 Demarara Plaza, Suite 200
St. Thomas, VI 00802-6447
E-mail: anflemming@vihfagov
Phone: 340-777-4432, ext. 2233
Facsimile: 340-775-7913

(24) EXCULPATION: The Landlord or any successor in interest that may be an individual, joint venture, tenancy in common, firm or partnership, general or limited, shall not be subject to personal liability on such individual or on the members of such joint venture, tenancy in common, firm or partnership in respect to any of the covenants or conditions of this Lease. The Tenant shall look solely to the equity of the Landlord in the Premises for the satisfaction of the remedies of the Tenant in the event of a breach by the Landlord. It is mutually agreed that this clause is and shall be considered an integral part of the aforesaid Lease.

(25) MISCELLANEOUS:

A Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent or of partnership or of joint venture or of any association whatsoever between Landlord and Tenant, it being expressly



SUBLEASE AGREEMENT

Page 15

understood and agreed that neither the computation of rent nor any other provisions contained in this Lease nor any act or acts of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

B. The words "Landlord" and "Tenant" shall mean each party named in Section 1 as the Landlord or Tenant and if there shall be more than one, any notice required or permitted by this Lease may be given by or to anyone thereof, and shall have the same force and effect as if given by or to all thereof. The use of the neuter singular pronoun to refer to either party shall be deemed a proper reference even though Tenant may be an individual, a partnership, a corporation, a trust, or a group of two or more of any of the same. The necessary grammatical changes required to make the provisions of this Lease apply in the plural sense where there is more than one, as aforesaid, and to either corporations, partnerships, individuals, trustees, males or females, shall, in all instances be assumed as though in each case fully expressed.

C. Submission of this Lease for examination does not constitute a reservation of or option for the Premises in favor of Tenant. This Lease shall be effective only upon execution hereof by the parties hereto. In the event Landlord executes this Lease prior to Tenant and Tenant does not execute and deliver the same to Landlord within ten (10) days of Landlord's execution hereof, this Lease shall at Landlord's option be null and void.

D. Each party warrants and represents to the other that no brokers have been involved in this transaction, and that no conversations or prior negotiations were had with any broker regarding the leasing of the Premises. Each party agrees to defend, indemnify and hold the other party harmless against any and all such claims or demands for brokerage fees or agents' commission or other compensation asserted by any person, firm or corporation in connection with this Lease.

E. This Lease shall be governed by and construed in accordance with the applicable laws of the U.S. Virgin Islands. If any term, covenant or condition of this Lease is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which shall render it valid. If any term or provision of this Lease, or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.



SUBLEASE AGREEMENT

Page 16

F. The captions, section numbers and article numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit or describe the scope of intent of such sections of this Lease nor in any way affect this Lease.

G. This Lease shall be construed without regard to the identity of the person who drafted the various provisions hereof. Moreover, each and every provision of this Lease shall be construed as though all parties hereto participated equally in the drafting thereof. As a result of the foregoing, any rule or construction that a document is to be construed against the drafting party shall not be applicable.

H. Whenever this Lease specifies that either party has the right to consent or approval or if either party shall desire the consent or approval of the other on any matter regarding this Lease, such consent or approval shall be effective only if in writing and signed by the consenting or approving party.

I. If any action at law or in arbitration shall be brought to recover any Base Rent or Additional Rent under this Lease, or for damages for breach of or to enforce any of the covenants, terms, or conditions of this Lease, or for the recovery of the possession of the Premises, or for the enforcement of any indemnification arising herein, the prevailing party shall be entitled to recover from the other party as part of the prevailing party's award its attorneys' fees and costs, whether at trial or in arbitration, the amount of which shall be fixed by the court or arbitrator and shall be made a part of any judgment, award or decree rendered.

J. If either party shall be delayed or prevented from the performance of any act required by this Lease by reason of strikes, restrictive laws, riot, acts of God or other similar reasons not the fault of the non-performing party, then the performance time for such act shall be extended for a period equivalent to the period of any such delay. The provisions of this paragraph shall not operate to excuse Tenant from prompt payment of Rent or other charges hereunder when due.

K. Subsequent to the Commencement Date, and upon the request of Landlord, Tenant shall execute and deliver to Landlord, in form approved by Landlord, a Memorandum of this Lease revealing the existence of this Lease, the commencement and termination dates of the Term, and the provision set forth in the Article entitled Liens regarding the non-liability of Landlord's interest in the Premises for any mechanic's liens arising from construction by Tenant. Landlord may, in its sole option, record such Memorandum of Lease.

L. Time is of the essence of this Lease, and of each and every covenant, term, condition and provision hereof.



SUBLEASE AGREEMENT

Page 17

M. The covenants and conditions herein contained shall, subject to the provisions as to assignment, transfer and subletting, apply to and bind the heirs, executors, personal representatives, administrators, successors and assigns of all the parties hereof.

N. This Lease and the Exhibits, and Rider(s), if any, attached hereto and forming a part hereof, set forth all the covenants, promises, agreements, conditions and understandings between Landlord and Tenant concerning the Premises and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the Landlord and Tenant have caused this Lease to be signed and sealed as of the Effective Date first above written.

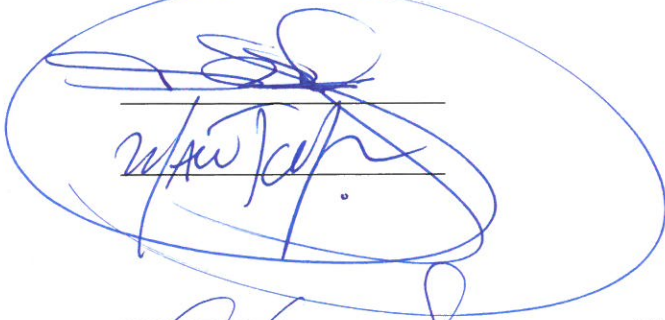
(signatures on following page)



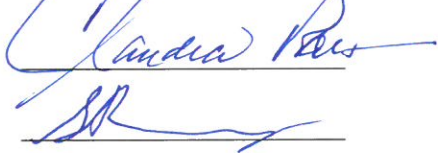
SUBLEASE AGREEMENT

Page 18

WITNESSES:



WITNESSES:



International Capital and Management Company,
LLC ("Landlord")

By:

Primo Beadling

Date:

1/24/20

Virgin Islands Housing Finance Authority ("Tenant")

By:

Daryl Griffith, Executive Director

SUBLEASE AGREEMENT

Page 22

EXHIBIT C

RULES AND REGULATIONS

1. Smoking is prohibited in and on the Premises and Building, including but not limited to, hallways, stairways, foyers, common rooms and facilities, decks, patios, exterior landings, front steps, entrance ways, roof tops, fire escapes, basements, storage areas, parking areas, driveways, walkways, lawns, gardens, adjoining grounds, and building facilities.
2. Sidewalks, doorways, vestibules, halls, stairways and other similar areas shall not be obstructed by tenants or used by any tenant for any purpose other than ingress and egress to and from the Leased Premises and for going from one part of the Building to another part of the Building. The walkways, passages, stairways, entryways, sidewalks, landscaped areas and entrances to Beltjen II shall not be used for any purpose other than ingress to and egress from the Beltjen property.
3. Plumbing fixtures and appliances shall be used only for the purpose for which designated, and no sweeping, rubbish, rags, or other unsuitable material including toxic or flammable products shall be thrown or placed therein. Damage resulting to any such fixtures or appliances from misuse by a Tenant shall be paid by the Tenant, and Landlord shall not in any case be responsible therefor.
4. No sign, advertisements or notices shall be painted or affixed on or to any windows or doors or other part of the Building visible from the exterior or any common area or public areas, unless approved by the Landlord. No part of the Building may be defaced by tenants. Nothing shall be hung, attached, installed upon or suspended from the doors, windows, balconies, entryways, walls, decks, roofs, stairways, passages, walkways or railings of Beltjen II. Tenants shall keep the Premises entryway in good state of preservation, repair and cleanliness. Tenants shall not decorate or furnish any walkway, passage, stairway or entryway of Beltjen II. Tenants shall not sweep, shake or discard from the doors, entryways, walls, or railings of the Premises or Building, any dirt or other substance.
5. Landlord will provide and maintain directory boards, the size, design and location to be in the Landlord's sole discretion.
6. Landlord will provide security card keys for all Tenant personnel on or about the Commencement Date. Tenant shall be responsible for informing Landlord of any changes in personnel so that a separate security card key can be provided for new personnel, and Tenant shall

SUBLEASE AGREEMENT

Page 23

be responsible for collection and transfer of security card keys from its personnel who no longer require Building access to Landlord. Tenant shall not permit, and shall be liable for, the unauthorized transfer or use of security key cards provided to its personnel, or for any unauthorized access to the Building as a result thereof. Tenant agrees to pay Landlord a fee of \$5.00 for replacement of any security key card as Additional Rent.

7. All tenants will refer all contractors, contractors' representatives and installation technicians tendering any service to them to Landlord for Landlord's supervision, approval and control before the performance of any contractual services. This provision shall apply to all work performed in the Premises, including, but not limited to, installations of telephones, telegraph equipment, electrical devices and attachments, and any and all installations of every nature affecting floors, walls, woodwork, trim, windows, ceilings, equipment and any other physical portion of the Premises or Building.

8. After initial occupancy, movement in or out of the Leased Premises of trade fixtures, furniture or office equipment, or dispatch or receipt by tenants of any bulky material, merchandise or material which requires use of stairs must have prior approval of Landlord. Absolutely no carts, dollies, or other carriers are allowed the buildings without prearrangement with the Landlord and approval by the Landlord. Deliveries requiring an elevator, such as the movement of quantities of furniture or office equipment shall be under the supervision of the Landlord and in the manner agreed between the Tenant and Landlord by prearrangement before performance. Such prearrangement initiated by a Tenant will include after-hours scheduling by Landlord, and subject to its decision and control, as to the exact time, method, and routing of movement and as to limitations for safety or other concern which may prohibit any article, equipment or any other item from being brought into the Building. The Tenant assumes all risks as to the damage to articles moved and injury to persons, property or public engaged or not engaged in such movement, including equipment, property and personnel of Landlord if damaged or injured as a result of an act in connection with carrying out this service for a tenant from time of entering Property to completion of work; and Landlord shall not be liable for an act of any persons engaged in, or any damage or loss of any of said property or persons resulting from any act in connection with such service performed for a tenant.

9. Landlord shall have the power to prescribe the weight and position of safes and other heavy equipment, which shall in all cases, to distribute weight, stand on supporting devices approved by Landlord. All damage done to the Building by taking in or putting out any property by a tenant, or done by a tenant's property while in the Building, shall be repaired at the expense of such tenant.

10. A tenant shall notify the Landlord when safes or other heavy equipment are to be taken in or out of the Building, and the moving shall be done under the supervision of the Landlord, after

SUBLEASE AGREEMENT

Page 24

written permission from Landlord. Persons employed to move such property must be acceptable to Landlord.

11. Tenant shall lock all doors leading to the Premises, set all applicable alarms, and turn out all lights at the close of their working day.

12. Tenant shall cooperate with Landlord's employees in keeping the Common Areas of the Building neat and clean. Landlord shall be in no way responsible to the Tenants, its agents, customers, employees, or invitees for any loss of property from the Common Areas or for any damage to any property therein from any cause whatsoever.

13. Should Tenant require telegraphic, telephonic, annunciator or other communication service, Landlord will direct the electricians and installers where and how wires are to be introduced and placed and none shall be introduced or placed except as Landlord shall approve.

14. Tenant shall not make or permit any improper noises in the building or otherwise interfere in any way with other tenants or persons having business with them. A Tenant shall not cause or permit any unusual or objectionable odors to emanate from its Leased Premises.

15. Nothing shall be swept or thrown into the corridors, halls, elevator shafts, stairways or other Common Areas.

16. No machinery of any kind other than normal office or retail equipment shall be operated by Tenant in its Leased Premises without the prior written consent of Landlord, nor shall Tenant use, or keep in the Building, any flammable or explosive fluid or substance, except in accordance with local fire codes and procedures approved by Landlord.

17. Landlord will not be responsible for lost or stolen personal property, inventory, money or jewelry from Tenant's Premises or the Building regardless of whether such loss occurs when an area is locked against entry or not.

18. Tenant will not tamper with or attempt to adjust temperature control thermostats in the Common Areas of the Building.

19. In the event of an impending emergency or anticipated inclement weather, Tenant for itself and all of its personnel agrees to comply with Landlord's Emergency Preparedness Plan, as it may be reasonably amended, and to comply with Landlord's directives regarding preparation of the Premises, Building, and the evacuation of personnel.

SUBLEASE AGREEMENT

Page 25

20. No radio, Internet or television aerial or dish shall be attached, suspended, installed upon or hung from the Leased Premises or Building exterior, roofs, entryways, doors, walls or railings.
21. Nothing shall be projected from any entryway, door, wall, railing, window or any other part or portion of the Premises or Building without prior receipt of written approval by the Landlord, which approval may be granted denied in the absolute discretion of the Landlord.
22. Any agent, contractor or workman of the Landlord may enter the Premises at any reasonable time for inspection or treatment of the Premises for vermin, insects or other pests. Tenant is responsible for ensuring that the Premises is free of vermin, insects and other pests.
23. Tenant shall not alter any existing lock or install a new lock on any Premises door without obtaining prior written consent of the Landlord. If such consent is obtained, the Tenant shall provide the Landlord free of cost a key to any locked doorways into the Premises.
24. Any key, security card or other means of access to the Premises entrusted to an employee of the Landlord shall be at the sole risk of Tenant, and the Landlord shall not be liable for any injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.
25. No pet shall be permitted in or around any Leased Premises or in any Common Areas other than duly licensed service animals.
26. Tenant shall not, nor permit any agent or contractor, to enter upon or attempt to enter upon the roof of Beltjen II at any time or for any reason whatsoever,
27. All Tenant build out work on the Premises, if specifically permitted in advance by Landlord, may be performed during the day provided that (i) Tenant's construction materials are contained within the Premises, (ii) Tenant does not unreasonably interfere with the conduct of business within the Property and Building within which the Premises are located, (iii) Tenant arranges all substantial materials deliveries either before 10 A.M. or after 5:30 P.M., and (iv) construction noise is kept at a level so as not to unreasonably disturb Landlord or any other tenants. In the event that Tenant does not comply with any one or more of the foregoing requirements as determined by Landlord in its commercially reasonable discretion, Landlord shall have the right to require Tenant to perform Tenant's Work after 5:30 p.m., on Holidays or during weekends.
28. No vehicles shall be parked in a manner as to impede or prevent ready access to Landlord or any Building entrance or exit. Any vehicle parked so as to impede or prevent ready access to the Landlord or any Building entrance or exit shall without notice be towed at the owner's expense.

SUBLEASE AGREEMENT

Page 26

Only motor vehicles shall be parked in Beltjen II parking spaces and no vehicle belonging to Tenant or occupant shall be parked as to impede or prevent ready movement of another vehicle. A Tenant must obtain express written approval of the Landlord to park a motor vehicle in a space for longer than twelve (12) hours without use and movement thereof and any vehicle so parked without the express written approval of the Landlord may without notice be towed at the owner's expense. Parking at the Beltjen II parking facilities shall be limited to Tenant's employees and management while at work in the Premises and customers of the Tenant. Tenant may not park or store commercial equipment or trucks on the Premises.

29. Complaints shall be made in writing to the Landlord.

30. Any consent or approval provided for under these Rules and Regulations may at any time be added to, amended or repealed by the Landlord.

31. Landlord reserves the right to rescind any of these rules and regulations and to make other and further rules and regulations as in its judgment shall, from time to time, be needful for the safety, protection, care and cleanliness of the Building and Landlord's business, the operation thereof, the preservation of good order therein and the protection and comfort of the tenants and their agents, employees and invitees, which rules and regulations, when made and written notice thereof is given to Tenant, shall be binding upon it in like manner as if originally herein prescribed; provided, however, that Tenant shall not be bound by any rules or regulations that directly conflict with any terms or provisions of its Lease with Landlord.

SUBLEASE AGREEMENT

Page 27

EXHIBIT D

United States Department of Housing and Urban Development General Provisions (“HUD Rider”)

The following terms and conditions apply to any contract for which any portion of the funding is derived from a grant made by the United States Department of Housing and Urban Development (“HUD”). In addition, Contractor/Subcontractor shall comply with the Federal Labor Standards Provisions set forth in Form HUD-4010, available at <http://www.hud.gov/offices/adm/hudclips/forms/files/4010.pdf>.

1. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

Each and every provision of law and clause required by law to be inserted in this contract shall be deemed to be inserted herein and the contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the contract shall forthwith be physically amended to make such insertion or correction. However, those provisions that are atypical to the standard commercial landlord tenant agreement shall be deemed not applicable, and enforceable, to this agreement.

2. STATUTORY AND REGULATORY COMPLIANCE

Contractor/Subcontractor shall comply with all laws and regulations applicable to the Community Development Block Grant-Disaster Recovery funds appropriated by the Disaster Relief Appropriations Act, 2017 (Pub. L. 115-56) and the Bipartisan Budget Act of 2018 (“BBA”), (Pub. L. 115-123), including but not limited to the applicable Office of Management and Budget Circulars, which may impact the administration of funds and/or set forth certain cost principles, including the allowability of certain expenses.

3. BREACH OF CONTRACT TERMS

VIHFA reserves its right to all administrative, contractual, or legal remedies, including but not limited to suspension or termination of this contract, in instances where the Contractor or any of its subcontractors violate or breach any contract term. If the Contractor or any of its subcontractors violate or breach any contract term, they shall be subject to such sanctions and penalties as may be appropriate. The duties and obligations imposed by the contract documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

SUBLEASE AGREEMENT

Page 28

4. REPORTING REQUIREMENTS

The Contractor/Subcontractor shall complete and submit all reports, in such form and according to such schedule, as may be required by VIHFA. The Contractor/Subcontractor shall cooperate with all VIHFA efforts to comply with HUD requirements and regulations pertaining to reporting, including but not limited to 24 C.F.R. §§ 85.40-41 (or 84.50-52, if applicable) and 570.507.

5. ACCESS TO RECORDS

The State, the U.S. Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have, at any time and from time to time during normal business hours, access to any work product, books, documents, papers, and records of the Subcontractor which are related to this contract, for the purpose of inspection, audits, examinations, and making excerpts, copies and transcriptions.

6. MAINTENANCE/RETENTION OF RECORDS

All records connected with this contract will be maintained in a central location and will be maintained for a period of at least three (3) years following the date of final payment and close-out of all pending matters related to this contract.

7. SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS

The Contractor/Subcontractor will take necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used in subcontracting when possible. Steps include:

- i. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- ii. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- iii. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

SUBLEASE AGREEMENT

Page 32

arising from or related to the negligence or willful misconduct of the Contractor/Subcontractor in the performance of the services called for in this contract.

19. COPELAND "ANTI-KICKBACK" ACT (Applicable to all construction or repair contracts)

Salaries of personnel performing work under this contract shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the Copeland "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C. § 874; and Title 40 U.S.C. § 276c). The Contractor shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this contract to ensure compliance by subcontractors with such regulations and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

20. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

(Applicable to construction contracts exceeding \$2,000 and contracts exceeding \$2,500 that involve the employment of mechanics or laborers)

The Contractor/Subcontractor shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-330) as supplemented by Department of Labor regulations (29 C.F.R. part 5).

All laborers and mechanics employed by contractors or subcontractors shall receive overtime compensation in accordance with and subject to the provisions of the Contract Work Hours and Safety Standards Act, and the contractors and subcontractors shall comply with all regulations issued pursuant to that act and with other applicable Federal laws and regulations pertaining to labor standards.

21. DAVIS-BACON ACT

(Applicable to construction contracts exceeding \$2,000 when required by Federal program legislation)

The Contractor/Subcontractor shall comply with the Davis Bacon Act (40 U.S.C. §§ 276a to 276a-7) as supplemented by Department of Labor regulations (29 C.F.R. part 5).

SUBLEASE AGREEMENT

Page 33

All laborers and mechanics employed by contractors or subcontractors, including employees of other governments, on construction work assisted under this contract, and subject to the provisions of the federal acts and regulations listed in this paragraph, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act.

22. TERMINATION FOR CAUSE (Applicable to contracts exceeding \$10,000)

If, through any cause, the Contractor/Subcontractor shall fail to fulfill in a timely and proper manner his obligations under this contract, or if the Contractor/Subcontractor shall violate any of the covenants, agreements, or stipulations of this contract, VIHFA shall thereupon have the right to terminate this contract by giving written notice to the Contractor/Subcontractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Contractor/Subcontractor under this contract shall, at the option of VIHFA, become VIHFA's property and the Contractor/Subcontractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the Contractor/Subcontractor shall not be relieved of liability to VIHFA for damages sustained by VIHFA by virtue of any breach of the contract by the Contractor/Subcontractor, and VIHFA may withhold any payments to the Contractor/Subcontractor for the purpose of set-off until such time as the exact amount of damages due VIHFA from the Subcontractor is determined.

23. TERMINATION FOR CONVENIENCE (Applicable to contracts exceeding \$10,000)

VIHFA may terminate this contract at any time by giving at least sixty (60) days' notice in writing to the Contractor/Subcontractor. If the contract is terminated by VIHFA as provided herein, the Contractor/Subcontractor will be paid for the time provided and expenses incurred up to the termination date.

24. SECTION 503 OF THE REHABILITATION ACT OF 1973 (Applicable to contracts exceeding \$10,000)

The Contractor/Subcontractor shall comply with section 503 of the Rehabilitation Act of 1973 (29 U.S.C. § 793), as amended, and any applicable regulations.

Equal Opportunity for Workers with Disabilities

SUBLEASE AGREEMENT

Page 29

- iv. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; and
- v. Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

8. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by HUD.

9. ENERGY EFFICIENCY

The Contractor/Subcontractor shall comply with mandatory standards and policies relating to energy efficiency issued in compliance with the Energy Policy and Conservation Act (Public Law 94-163).

10. TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

The Contractor/Subcontractor shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

11. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

The Contractor/Subcontractor shall comply with the provisions of Section 109 of the Housing and Community Development Act of 1974. No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides that discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

SUBLEASE AGREEMENT

Page 30

12. SECTION 504 OF THE REHABILITATION ACT OF 1973

The Contractor/Subcontractor shall comply with section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 94), as amended, and any applicable regulations.

The Contractor/Subcontractor agrees that no qualified individual with handicaps shall, solely on the basis of handicap, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance from HUD.

13. AGE DISCRIMINATION ACT OF 1975

The Contractor/Subcontractor shall comply with the Age Discrimination Act of 1975 (42 U.S.C. § 6101 *et seq.*), as amended, and any applicable regulations. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving Federal financial assistance.

14. DEBARMENT, SUSPENSION, AND INELIGIBILITY

The Contractor/Subcontractor represents and warrants that it and its subcontractors are not debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance programs subject to 2 C.F.R. part 2424.

15. CONFLICTS OF INTEREST

The Contractor/Subcontractor shall notify VIHFA as soon as possible if this contract or any aspect related to the anticipated work under this contract raises an actual or potential conflict of interest (as defined at 2 C.F.R. Part 215 and 24 C.F.R. § 85.36 (or 84.42, if applicable)). The Contractor/Subcontractor shall explain the actual or potential conflict in writing in sufficient detail so that the State is able to assess such actual or potential conflict. The Contractor/Subcontractor shall provide VIHFA any additional information necessary for VIHFA to fully assess and address such actual or potential conflict of interest. The Contractor/Subcontractor shall accept any reasonable conflict mitigation strategy employed by VIHFA, including but not limited to the use of an independent subcontractor(s) to perform the portion of work that gives rise to the actual or potential conflict.

16. SUBCONTRACTING

SUBLEASE AGREEMENT

Page 31

When subcontracting, the Contractor/Subcontractor shall solicit for and contract with such Contractor/subcontractors in a manner providing for fair competition. Some of the situations considered to be restrictive of competition include but are not limited to:

- (i) Placing unreasonable requirements on firms in order for them to qualify to do business,
- (ii) Requiring unnecessary experience and excessive bonding,
- (iii) Noncompetitive pricing practices between firms or between affiliated companies,
- (iv) Noncompetitive awards to consultants that are on retainer contracts,
- (v) Organizational conflicts of interest,
- (vi) Specifying only a *brand name* product instead of allowing an *equal* product to be offered and describing the performance of other relevant requirements of the procurement, and
- (vii) Any arbitrary action in the procurement process.

The Contractor/Subcontractor represents to VIHFA that all work shall be performed by personnel experienced in the appropriate and applicable profession and areas of expertise, taking into account the nature of the work to be performed under this contract.

The Contractor will include these HUD General Provisions in every subcontract issued by it so that such provisions will be binding upon each of its subcontractors as well as the requirement to flow down such terms to all lower-tiered subcontractors.

17. ASSIGNABILITY

The Contractor/Subcontractor shall not assign any interest in this contract and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of VIHFA.

18. INDEMNIFICATION

The Contractor/Subcontractor shall indemnify, defend, and hold harmless VIHFA and its agents and employees from and against any and all claims, actions, suits, charges, and judgments

SUBLEASE AGREEMENT

Page 34

- A.** The Contractor/Subcontractor will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The Contractor/Subcontractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified individuals with disabilities without discrimination based on their physical or mental disability in all employment practices, including the following:
- i. Recruitment, advertising, and job application procedures;
 - ii. Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
 - iii. Rates of pay or any other form of compensation and changes in compensation;
 - iv. Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
 - v. Leaves of absence, sick leave, or any other leave;
 - vi. Fringe benefits available by virtue of employment, whether or not administered by the Subcontractor;
 - vii. Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
 - viii. Activities sponsored by the contractor including social or recreational programs; and
 - ix. Any other term, condition, or privilege of employment.
- B.** The Contractor/Subcontractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.
- C.** In the event of the Contractor/Subcontractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.
- D.** The Contractor/Subcontractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the

SUBLEASE AGREEMENT

Page 35

Deputy Assistant Secretary for Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the Contractor's/Subcontractor's obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities. The Contractor/Subcontractor must ensure that applicants and employees with disabilities are informed of the contents of the notice (e.g., the Contractor/Subcontractor may have the notice read to a visually disabled individual or may lower the posted notice so that it might be read by a person in a wheelchair).

- E. The Contractor/Subcontractor will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor/Subcontractor is bound by the terms of section 503 of the Rehabilitation Act of 1973, as amended, and is committed to take affirmative action to employ and advance in employment individuals with physical or mental disabilities.
- F. The Contractor/Subcontractor will include the provisions of this clause in every subcontract or purchase order in excess of \$10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to section 503 of the act, as amended, so that such provisions will be binding upon each subcontractor or vendor. The Contractor/Subcontractor will take such action with respect to any subcontract or purchase order as the Deputy Assistant Secretary for Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

25. EXECUTIVE ORDER 11246

(Applicable to construction contracts and subcontracts exceeding \$10,000)

The Contractor/Subcontractor shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60).

During the performance of this contract, the Contractor/Subcontractor agrees as follows:

- A. The Contractor/Subcontractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor/Subcontractor shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or

SUBLEASE AGREEMENT

Page 36

other forms of compensation; and selection for training, including apprenticeship.

- B.** The Contractor/Subcontractor shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Contracting Officer setting forth the provisions of this non-discrimination clause. The Contractor/Subcontractor shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- C.** The Contractor/Subcontractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor/Subcontractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- D.** The Contractor/Subcontractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers representative of the contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- E.** The Contractor/Subcontractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- F.** The Contractor/Subcontractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to books, records and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- G.** In the event of the Contractor's/Subcontractor's non-compliance with the non-discrimination clause of this contract or with any of such rules, regulations or orders, this contract may be cancelled, terminated or suspended in whole or in part and the Contractor/Subcontractor may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.
- H.** Contractor/Subcontractor shall incorporate the provisions of A through G above in

SUBLEASE AGREEMENT

Page 37

every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor so that such provisions shall be binding on such contractor/subcontractor. The Contractor/Subcontractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for non-compliance, provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Contractor/Subcontractor may request the United States to enter into such litigation to protect the interests of the United States.

26. CERTIFICATION OF NONSEGREGATED FACILITIES (Applicable to construction contracts exceeding \$10,000)

The Contractor/Subcontractor certifies that it does not maintain or provide for its establishments, and that it does not permit employees to perform their services at any location, under its control, where segregated facilities are maintained. It certifies further that it will not maintain or provide for employees any segregated facilities at any of its establishments, and it will not permit employees to perform their services at any location under its control where segregated facilities are maintained. The Contractor/Subcontractor agrees that a breach of this certification is a violation of the equal opportunity clause of this contract.

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason.

The Contractor further agrees that (except where it has obtained for specific time periods) it will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the equal opportunity clause; that it will retain such certifications in its files; and that it will forward the preceding notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

27. CERTIFICATION OF COMPLIANCE WITH CLEAN AIR AND WATER ACTS (Applicable to contracts exceeding \$100,000)

SUBLEASE AGREEMENT

Page 38

The Contractor and all its subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 U.S.C. § 1857 *et seq.*, the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 *et seq.*, and the regulations of the Environmental Protection Agency with respect thereto, at 40 C.F.R. Part 15 and 32, as amended, Section 508 of the Clean Water Act (33 U.S.C. § 1368) and Executive Order 11738.

In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner, the following:

- A. A stipulation by the Contractor or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the Excluded Party Listing System pursuant to 40 C.F.R. 32 or on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 C.F.R. Part 15, as amended.
- B. Agreement by the Subcontractor to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. § 1857 c-8) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. § 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
- C. A stipulation that as a condition for the award of the contract, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the contract, is under consideration to be listed on the Excluded Party Listing System or the EPA List of Violating Facilities.
- D. Agreement by the Contractor that he will include, or cause to be included, the criteria and requirements in paragraph (A) through (D) of this section in every nonexempt subcontract and requiring that the Contractor will take such action as the government may direct as a means of enforcing such provisions.

28. **LOBBYING** (Applicable to contracts exceeding \$100,000)

The Contractor/Subcontractor certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the

SUBLEASE AGREEMENT

Page 39

Contractor/Subcontractor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Contractor/Subcontractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The Contractor shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

29. BONDING REQUIREMENTS

(Applicable to construction and facility improvement contracts exceeding \$100,000)

The Contractor/Subcontractor shall comply with VIHFA bonding requirements, unless they have not been approved by HUD, in which case the Contractor/Subcontractor shall comply with the following minimum bonding requirements:

- (1) *A bid guarantee from each bidder equivalent to five percent of the bid price.* The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

SUBLEASE AGREEMENT

Page 40

- (2) *A performance bond on the part of the Contractor/Subcontractor for 100 percent of the contract price.* A “performance bond” is one executed in connection with a contract to secure fulfillment of all the Contractor’s/Subcontractor’s obligations under such contract.
- (3) *A payment bond on the part of the Contractor/Subcontractor for 100 percent of the contract price.* A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

30. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968 (As required by applicable thresholds)

- A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD’s regulations in 24 C.F.R. part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C. The *Contractor*/Subcontractor agrees to send to each labor organization or representative of workers with which the *Contractor*/Subcontractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers’ representative of the Contractor’s commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The *Contractor* agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. part 135, and agrees to take appropriate

SUBLEASE AGREEMENT

Page 41

action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. part 135. The Contractor will not subcontract with any subcontractor where the subcontractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. part 135.

- E. The *Contractor/Subcontractor* will certify that any vacant employment positions, including training positions, that are filled: (1) after the *contractor/subcontractor* is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. part 135 require employment opportunities to be directed, were not filled to circumvent the *Contractor/Subcontractor's* obligations under 24 C.F.R. part 135.
- F. Noncompliance with HUD's regulations in 24 C.F.R. part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. § 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible: (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

31. FAIR HOUSING ACT

Contractor/Subcontractor shall comply with the provisions of the Fair Housing Act of 1968 as amended. The act prohibits discrimination in the sale or rental of housing, the financing of housing or the provision of brokerage services against any person on the basis of race, color, religion, sex, national origin, handicap or familial status. The Equal Opportunity in Housing Act prohibits discrimination against individuals on the basis of race, color, religion, sex or national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with Federal funds. Please visit http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_11868.pdf for more information.

SUBLEASE AGREEMENT

Page 42

32. Federal Funding Accountability and Transparency Act (FFATA)

The Federal Funding Accountability and Transparency Act of 2006 (FFATA), as amended, was signed with the intent of reducing wasteful government spending and providing citizens with the ability to hold the government accountable for spending decisions. 2 C.F.R. Part 170 outlines the requirements of recipients' in reporting information on subawards and executive total compensation under FFATA legislation. Any non-Federal entity that receives or administers Federal financial assistance in the form of: grants, loans, loan guarantees, subsidies, insurance, food commodities, direct appropriations, assessed and voluntary contributions; and/or other financial assistance transactions that authorize the non-Federal entities' expenditure of Federal fund, is subject to these requirements.

Prime contract awardees and prime grant awardees are required to report against subcontracts and subgrants awarded in the FFATA Subaward Reporting System (FSRS), the reporting tool for Federal prime awardees. This information reported will then be displayed on a public and searchable website: www.USASpending.gov.

33. Procurement

The Uniform Guidance procurement requirements (2 C.F.R. Part 200, Subpart D) went into effect on July 1, 2018. These requirements are applicable to CDBG-DR funded projects, or as provided by 83 Federal Register 5844 VI A(1)(b)(2) permits a state grantee to elect to follow its own procurement policy. These policies and procedures ensure that Federal dollars are spent fairly and encourage open competition at the best level of service and price. Standards for procurement of supplies, equipment, construction, engineering, architectural, consulting, and other professional services are outlined in the Procurement Manual and Contractual Requirements for CDBG-DR, available at www.cdbg-dr.pr.gov. VIHFA follows these standards to ensure goods and services are procured efficiently, at a fair price, and in compliance with all applicable Federal and Territorial laws and executive orders.

34. Change Orders to Contracts

Change orders are issued when the initial agreed upon pricing or work to be completed requires modification. First, the contractor must complete a Change Order Request Form. This form and supporting documentation must be delivered to the Project Manager for review. Each change order must have a cost analysis. Once the Project Manager approves

SUBLEASE AGREEMENT

Page 43

the change order, it is returned to the contractor for execution. Change orders are only invoiced on the final draw and categorized as "change order." The amount listed on the invoice must match the previously approved amount and must be cost reasonable. The Project Manager is responsible for verifying cost reasonableness. Verification documentation for cost reasonableness becomes an attachment to the change order.

35. Environmental Review

Every project undertaken with Federal funds, and all activities related to that project, is subject to the provisions of the National Environmental Policy Act of 1969 (NEPA), as well as to the HUD environmental review regulations at 24 C.F.R. Part 58- ENVIRONMENTAL REVIEW PROCEDURES FOR ENTITIES ASSUMING HUD ENVIRONMENTAL RESPONSIBILITIES. The primary purpose of this Act is to protect and enhance the quality of our natural environment. The HUD environmental review process must be completed before any Federal funds can be accessed for program-eligible activities.

The primary objectives of the HUD environmental review are to identify specific environmental factors that may be encountered at potential project sites, and to develop procedures to ensure compliance with regulations pertaining to these factors. The HUD environmental review is designed to produce program-specific environmental review procedures in a program that can vary greatly in terms of scope of work.

36. Lead Based Paint

All housing units assisted using CDBG-DR funds must comply with the regulations regarding lead-based paint found at 24 C.F.R. Part 35- LEAD-BASED PAINT POISONING PREVENTION IN CERTAIN RESIDENTIAL STRUCTURES.

37. Environmental Review Record

The Environmental Officer is responsible for maintaining a written record of the environmental review process. The ERR for all programs contains all the governmental review documents, public notices and written determinations or environmental findings required by 24 C.F.R. Part 58- ENVIRONMENTAL REVIEW PROCEDURES FOR ENTITIES ASSUMING HUD ENVIRONMENTAL RESPONSIBILITIES as evidence of review, decision making and actions pertaining to a project of a recipient.

38. Flood Insurance Requirements

SUBLEASE AGREEMENT

Page 44

Grantees and subrecipients of Federal funding must ensure that procedures and mechanisms are put into place to monitor compliance with all flood insurance requirements as found in the Flood Disaster Protection Act of 1973, 24 C.F.R. § 570.605- NATIONAL FLOOD INSURANCE PROGRAM and 24 C.F.R. § 570.202- ELIGIBLE REHABILITATION AND PRESERVATION ACTIVITIES.

39. Duplication of Benefits

CDBG-DR funding intends to address the unmet needs of a community. The funds are supplemental to primary forms of assistance, including private insurance and FEMA funds. To avoid duplicative assistance and potential de-obligation of funding, VIHFA must utilize all possible funding sources before applying CDBG-DR dollars to a project. CDBG-DR programs are typically implemented after temporary disaster assistance programs, such as FEMA Individual Assistance which are not intended to make someone whole.

The Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), as amended, 42 U.S.C. § 5121 et seq., established the requirements for Duplication of Benefits (DOB) analysis.

40. Anti-Fraud, Waste and Abuse Checks

The Anti-Fraud, Waste and Abuse (AFWA) check is designed to identify discrepancies and risk-relevant issues in Applicant-provided information that may be indicative of fraud, waste, and/or abuse.

41. Affirmatively Furthering Fair Housing

The Fair Housing Act of 1968, as amended, 42 U.S.C. § 3601, et seq., dictates that grantees are required to administer all programs and activities related to housing and urban development in a manner to affirmatively further the policies of the Fair Housing Act. Per the regulations of 24 C.F.R. § 570.601 and in accordance with Section 104(b)(2) of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. § 5301 et seq., for each community receiving a grant under Subpart D of this part, the certification that the grantee will affirmatively further fair housing shall specifically require the grantee to take meaningful actions to further the goals identified in the grantee's Assessment of Fair Housing (AFH) plan, conducted in accordance with the requirements of 24 C.F.R. § §§ 5.150-5.180 (Affirmatively Furthering Fair Housing) and take no action that is materially inconsistent with its obligation to affirmatively further fair housing.

SUBLEASE AGREEMENT

Page 45

42. Drug Free Workplace

The Drug-Free Workplace Act of 1988, as amended, 41 U.S.C. § 81, as implemented by 24 C.F.R. § Part 24, Subpart F, §§ 983.251-983.262, requires that any grantee other than an individual must certify that it will provide a drug-free workplace. Any grantee found in violation of the requirements of this act may be subject to suspension of payments under the grant, suspension or termination of the grant or suspension or debarment of the grantee. VIHFA guarantees compliance with this Act.

43. Timely Distribution of Funds

The Supplemental Appropriations for Disaster Relief Requirements, 2017 (Pub. L. 115-56), approved September 8, 2017 (Appropriations Act), as amended, requires that funds provided under the Act be expended within two (2) years of the date that HUD obligates funds to a grantee unless otherwise authorized via waiver of this requirement by the Office of Management and Budget (OMB). The OMB waived the two (2) year expenditure requirement under 83 Fed. Reg. 40314 (Aug. 14, 2018); however, the provision to expend one hundred percent (100%) of the total allocation of CDBG-DR funds on eligible activities within six (6) years of HUD's initial obligation of funds remains in effect. The six (6) year expenditure period commences with the initial obligation of funds provided under 83 Fed. Reg. 5844 (Feb. 14, 2018). Additionally, per 83 Fed. Reg. 5844, the provisions at 24 C.F.R. §§ 570.494 and 570.902, regarding timely distribution and expenditure of funds, are waived and an alternative requirement was established.

Furthermore, consistent with 31 U.S.C § 1555 and OMB Circular No. A-11 (2017), if the Secretary of HUD or the President of the United States determines that the purposes for which the appropriation was made have been carried out and no disbursement has been made against the appropriation for two (2) consecutive fiscal years, any remaining unobligated balance shall be canceled and will be made unavailable for obligation or expenditure for any purpose.

44. Property Management and Distribution

Regulations governing property management and distribution of real property, equipment, financial obligations and return of un-obligated cash post program closeout can be found in 24 C.F.R. § 570.506, 2 C.F.R. § 200.310, 2 C.F.R. § 200.343 and 2 C.F.R. § 200.344(b). The standards of 24 C.F.R. § 570.506 apply to any real property under a CDBG award recipient's control acquired in whole or in part with CDBG funds in excess of \$25,000.00.

SUBLEASE AGREEMENT

Page 46

The recipient may not change the use or planned use of the property without proper notification to affected citizens and allowable time for comment by them. If the property is not a building for general government conduct, the use of the property may be changed with citizen approval if it either meets one of the national objectives as defined in 24 C.F.R. § 570.208 or if not, the recipient may either retain or dispose of the property for the changed use if the recipient's CDBG program is reimbursed in the amount of the current fair market value of the property, less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, and improvements to, the property. Following such reimbursement, the property will no longer be subject to any CDBG requirements.

45. Limited English Proficiency

Executive Order No. 13166, signed on August 11, 2000, requires programs, subrecipients, contractors, subcontractors, and/or developers funded in whole or in part with CDBG-DR financial assistance to ensure fair and meaningful access to programs and services for families and individuals with Limited English Proficiency (LEP) and/or deaf/hard of hearing. Fair access is ensured through the implementation of a Language Assistance Plan (LAP), which includes non-English-based outreach, translation services of vital documents, free language assistance services, and staff training. Vital documents are defined as depending on the importance of the program, information, encounter, or service involved, and the consequence to the LEP person if the information in question is not provided accurately or in a timely manner.

46. Personally Identifiable Information

In accordance with 2 C.F.R. § 200.303, regarding internal controls of a non-Federal entity, a grantee must guarantee the protection of all Personally Identifiable Information (PII) obtained. The program will enact necessary measures to ensure PII of all applicants is safeguarded as to avoid release of private information. If a contractor or employee should experience any loss or potential loss of PII, the program shall be notified immediately of the breach or potential breach.

47. Uniform Relocation Act

CDBG-DR funds are subject to the Uniform Relocation Assistance and Real Property Acquisition Act of 1970 (URA or Uniform Act), as amended. 49 C.F.R. § Part 24 requires relocation assistance for lower-income individuals displaced as a result of the demolition or conversion of a lower-income dwelling and requires one-for-one replacement of lower-income units demolished or converted to other uses.

SUBLEASE AGREEMENT

Page 47

48. Residential anti-displacement and relocation assistance plan. Per Section 104(d) of the Housing and Community Development Act of 1974 § 42.325

(a) Certification.

(1) As part of its consolidated plan under 24 CFR Part 91, the recipient must certify that it has in effect and is following a residential anti-displacement and relocation assistance plan.

(2) A unit of general local government receiving funds from the State must certify to the State that it has in effect and is following a residential anti-displacement and relocation assistance plan, and that it will minimize displacement of persons as a result of assisted activities. The State may require the unit of general local government to follow the State's plan or permit it to develop its own plan. A unit of general local government that develops its own plan must adopt the plan and make it public.

(b) Plan contents.

(1) The plan shall indicate the steps that will be taken consistent with other goals and objectives of the program, as provided in Parts 92 and 570 of this title, to minimize the displacement of families and individuals from their homes and neighborhoods as a result of any assisted activities.

(2) The plan shall provide for relocation assistance in accordance with § 42.350.

(3) The plan shall provide one-for-one replacement units to the extent required by § 42.375.

49. Complaints and Appeals

Citizen comments on VIHFA's published Action Plan, any substantial amendments to the Action Plan, performance reports and/or other issues related to the general administration of CDBG-DR funds are welcomed throughout the duration of the grant. The Citizen Participation Plan is posted as a stand-alone document at www.vihfa.gov. Complaints regarding fraud, waste, or abuse of government funds shall be addressed to the HUD Office of Inspector General Fraud Hotline by phone: 1-800-347-3735 or email: hotline@hudoig.gov.

50. Monitoring

As per CDBG regulation, 24 C.F.R. § 570.501(b), grantees of CDBG-DR funds are responsible for carrying out their programs to meet compliance with CDBG Program, statutory and regulatory requirements, including monitoring their project administrators, contractors and subcontractors. As such, throughout the application, planning, design,

SUBLEASE AGREEMENT

Page 48

and implementation phase of the program, VIHFA will conduct internal monitoring of processes, procedures, policy, applications, planning, design, construction, and other applicable phases.

FIRST AMENDMENT TO COMMERCIAL SUBLEASE

This First Amendment to a certain Commercial Sublease ("First Amendment"), effective February 1, 2020 (the "Effective Date") by and between INTERNATIONAL CAPITAL AND MANAGEMENT COMPANY, LLC, a Virgin Islands limited liability company (the "Landlord"), and the VIRGIN ISLANDS HOUSING FINANCE AUTHORITY, an autonomous instrumentality of the Government of the United States Virgin Islands (the "Tenant"), to wit:

WHEREAS the parties entered into a certain Commercial Sublease dated February 1, 2020 ("original Lease"), providing Tenant with a tenancy in approximately 5,613 square feet of commercial office space in Landlord's three-story commercial office building known as Beltjen II, located at 31ab Estate Taarnejerg, St. Thomas, Virgin Islands (the "Premises"); and

WHEREAS the Buyer requires additional time to obtain necessary insurance and make arrangements prior to moving into the Premises; and

WHEREAS the parties desire to adjust the Commencement Date and term of the Lease accordingly;

NOW THEREFORE, for good and adequate consideration, the receipt and sufficiency of which is mutually acknowledged, the parties agree as follows:

1. The first sentence of Paragraph 2 of the original Lease shall be deleted, and the following language substituted in lieu thereof:

TERM: The Basic Term hereof shall be two (2) years following the Commencement Date, which is defined herein as March 1, 2020, and terminating February 28, 2022, unless sooner terminated or surrendered as provided in this Lease.

2. The first sentence of Paragraph 3 of the original Lease shall be deleted, and the following language substituted in lieu thereof:

RENT: The Tenant covenants and agrees to pay unto the Landlord for rent of said premises during the term annual rent of [REDACTED] during each year of the Term, payable in successive equal monthly installments of [REDACTED] each on the first day of each month in advance during the Term commencing on March 1, 2020, time being of the essence.

3. To the extent not modified herein, all remaining terms of the original Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this First Amendment as of the date aforesaid:

International Capital and Management Company, LLC ("Landlord")

By: 
Primo Beadling

Virgin Islands Housing Finance Authority ("Tenant")

By: 
Daryl Griffith, Executive Director